

Appendix - VIIA
DEED OF ADHERENCE

THIS DEED OF ADHERENCE is entered into on _____ day of _____
200_ between:

_____, a company registered under the provisions of the Companies Act, 1956 / Government of State of Uttar Pradesh, having its registered office/office at _____ (hereinafter called the "**Transferor**", which shall include its Associates and successors; and

_____, a company registered under the provisions of the Indian Companies Act, 1956, having its registered office at _____ (hereinafter called the "Transferee or _____" which expression shall include its successors; through its _____, duly authorized in this behalf by way of a Board Resolution dated _____; and

_____, a company registered under the provisions of the Companies Act, 1956, having its registered office at _____ (hereinafter called the "**Company**", which shall include its successors); and

THE GOVERNOR OF UTTAR PRADESH, acting through and represented by the Principal Secretary, Department of Tourism, Government of Uttar Pradesh (hereafter referred to as the "**Government**" which expression shall include its successors.

RECITALS:

WHEREAS and had entered into a Shareholders Agreement dated (SHA) pursuant to purchase of 76% of the issued and paid up capital of the Company from Government of Uttar Pradesh (GoUP). A copy of the said SHA is annexed hereto as **Annexure I**.

WHEREAS the said SHA incorporates the terms and conditions of the inter se relationship of the Shareholders and terms and conditions on which the management of the Company would be organized;

AND WHEREAS and are Shareholders of the Company holding and _____ numbers of equity shares of face value of Rs...../- each constituting%, and% of the issued, subscribed and the paid up capital of the Company.

AND WHEREAS, it is a condition of Shareholders' Agreement, that each of the new party to the Agreement (an Associate/New Shareholder/Transferee) that is going to hold the Shares in the Company pursuant to Article 3.2 (b) and Article 5.4 of the SHA shall

execute a Deed of Adherence and undertake to be bound by the terms and conditions of the SHA dated _____, 2009 before becoming member(s) in the Company;

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES :-

1 DEFINITIONS AND INTERPRETATION

- a. Capitalized terms used but not defined in this Deed shall, unless the context otherwise requires, have the respective meanings ascribed thereto in the Shareholders' Agreement.
- b. The Parties mutually agree that recitals and annexure(s) hereto shall form part and parcel of this Deed of Adherence.

2. COVENANT BY ASSOCIATE/ TRANSFEREE/ NEW SHAREHOLDER

- a. _____ (Name of Associate/Transferee) for itself or any of its Associates now or hereafter holding any Shares, hereby undertakes to exercise all of its rights and to perform all of the rights and obligations of Transferor (Name of the Transferor) under the SHA in accordance with the terms thereof and agrees not to revoke its undertakings and to ensure that the aforesaid designation remains valid and the provisions of this Deed are complied with and are and remain enforceable for so long as it holds any Shares during the terms of the SHA.
- b. _____ (Name of Associate/New Shareholder/Transferee) hereby acknowledges that it has hereto fore received a copy of and has read and understood, the Shareholders' Agreement and covenants, thereof and agrees and confirms that it shall be bound by all provisions of the SHA as if it was an original Party thereto, and the SHA shall have a full force and effect on it and shall be read and construed to be binding on it.
- c. Transferee shall be bound by each and all the obligations of Transferor and shall represent it as its constituted attorney/authorised representative/proxy in relation to all matters in its capacity as a Shareholder. *(Applicable in case of Transfer pursuant to Clause 5.4)*
- d. Transferor hereby undertakes, agrees and declares that in the event of the default in discharging obligation as specified in the SHA by the Transferee, Transferor shall perform all obligations attached to the shares transferred to the Transferee under the SHA pursuant hereto notwithstanding the transfer of such shares in favour of the Transferee. *(Applicable in case of Transfer pursuant to Clause 5.4)*
- e. Transferor and the Transferee further undertake that in case the Transferee ceases to be an Associate of the Transferor, the said Shares held by the

Transferee in the Company shall be transferred to Transferor or to another subsidiary/ Associate of the Transferor and that their failure to do so shall be material breach under this Agreement. *(Applicable in case of Transfer pursuant to Clause 5.4)*

- f. The Company hereby agrees that the shareholding of the Transferee in the Company shall be reckoned with the shareholding of Transferor in the Company and Transferee shall accordingly enjoy and enforce the rights, powers and benefits conferred to Transferor under the SHA Agreement. *(Applicable in case of Transfer pursuant to Clause 5.4)*

3. GOVERNING LAW

- a. This Deed shall be governed by and construed in accordance with the laws of the India. The terms and conditions of the Shareholders Agreement in relation to the provisions regarding arbitration and other terms and conditions shall be deemed to have been incorporated in this Deed and expressly agreed to between the Parties hereto.

- b. This Deed is subject to the Foreign Exchange Management Act, 1999 for the issue/allotment/holding of Shares of the Company, so far as it requires the consent of the Reserve Bank of India or the Foreign Investment Promotion Board as the case may be.

IN WITNESS WHEREOF the parties hereto have executed this Deed as of the date and year first hereinabove mentioned.

SIGNED, SEALED AND DELIVERED)
By _____, the Authorised Signatory)
FOR _____)

SIGNED, SEALED AND DELIVERED)
By _____, the Authorised Signatory)
FOR _____)

SIGNED, SEALED AND DELIVERED)
By _____, the Authorised Signatory)
FOR _____)

SIGNED, SEALED AND DELIVERED)
By The Principal Secretary, the Authorised Signatory)
For and on behalf of the Govt. of Uttar Pradesh)